

## NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON

Governor

BETTY RIVERA

Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

November 7, 2002

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210-2218

Attention: Mr. Cy Cowan

Administrative Order No. NSL-4808

Dear Mr. Cowan:

Reference is made to your application for an unorthodox gas well location for the existing Tortise "ASB" Com Well No. 1 (API No. 30-015-10490) (previously the Shell Oil Company China Canyon Unit Well No. 1) located 1980 feet from the North line and 2250 feet from the East line (Unit G) of Section 29, Township 23 South, Range 24 East, NMPM, Eddy County, New Mexico, which is to be re-entered to test the Pennsylvanian formation. This application (Application No. pKRV0-230453601) was received by the Division on October 30, 2002.

It is our understanding that Yates Petroleum Corporation proposes to test the various strata within the Pennsylvanian formation, including the Canyon, Strawn, Atoka and Morrow intervals. The following pools are applicable to this request:

Undesignated Crooked Creek-Morrow Gas Pool (Gas – 75400) Undesignated Wooten Ranch-Atoka Gas Pool (Gas – 87770) Undesignated Crooked Creek Upper-Pennsylvanian (Gas – 96922)

These pools are currently spaced on 320 acres and are currently governed by the provisions of Division Rule No. 104(C)(2).

It is further our understanding that the E/2 of Section 29 will be dedicated to the well in the event the well is completed in one or more of the above-described pools.

This application has been duly filed under the provisions of Division Rule 104.(F), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F(2), as revised, the above-described unorthodox gas well location is hereby approved.

Sincerely,

Lori Wrotenbery Division Director

Xc: OCD-Artesia